

Chinese “Time-Honoured Brand Enterprises” and “Time-Honoured Brand Streets”: Their Roles in the Contemporary Urban Setting of China

ZHANG Jijiao *

Abstract

China is the largest emerging economy in the world and possesses a long history of business tradition. It is generally noted that Chinese business has not been able to develop and sustain brands under conditions of rapid urban development. Yet many businesses have been in existence for a considerable period of time. Many old brand enterprises have become known as “Time-Honoured Brand Enterprises (TBEs) and are an integral part of the Chinese traditional businesses with a cultural heritage of their own. The streets where TBEs are found are busy commercial centres and have assumed historical and cultural significance. Some of these streets are rightly known as “Time-Honoured Brand Streets” (TBSs). In many of the major cities of China, TBEs and TBSs have been part of the urban landscapes for decades and have evolved their own cultural foundations and traditions. This study will present an overview of the TBEs and TBSs in selected cities and to identify the relationships between them and their roles in urban life.

Key words: Time-Honoured Brand Enterprises (TBEs), Time-Honoured Brand Streets (TBSs), business tradition, contemporary urban setting

Introduction

Despite its “developing economy” status, China has a long history of business tradition tracing back to antiquity. But the concepts of “brands” and “trademarks” have traditionally taken a back seat in the development of business enterprises. Instead business brands in the past took the form of “trust” in the Confucian tradition of the *junzi* (君子) or gentleman. It is generally noted that Chinese business has not been able to develop and sustain brands under conditions of rapid urban development. Yet many businesses have been in existence for a considerable period of time. Many of these old brand enterprises have become known as

* Dr. ZHANG Jijiao (张继焦) is Professor and Director of the Department of Social Research, Institute of Ethnology and Anthropology, Chinese Academy of Social Sciences, China.
E-mail: zhjijiao@126.com

“Time-Honoured Brand Enterprises” (TBEs) and are an integral part of traditional Chinese businesses that possess a cultural heritage of their own. The streets where TBEs are found are bustling commercial centres whose history goes back even further in time and have assumed historical and cultural significance. Some of these streets have become known as “Time-Honoured Brand Streets” (TBSs) and have rightly been so recognized by the city or higher authorities. In many of the major cities of China, TBEs have been part of the urban landscapes for decades and even more than a century but the TBSs date back to much earlier origins. Both TBEs and TBSs have evolved their own cultural foundations and traditions and played significant roles in the cultural and urban lives of the people. Hence to appreciate the role of time-honoured brands in the modern urban setting requires that old brand enterprises and the commercial streets with which they are inseparably associated be treated as an integral entity so as to emphasize the totality of the cultural and functional aspects of old brands.

TBEs refer to business enterprises that have remained in operation, either in whole or in part, since the date of inception many decades ago, some even for more than a century. They are often associated with elements of Chinese traditional culture and their operations are characterized by unique techniques, products, and services. TBEs produce goods and services that meet popular and regular demand. The contemporary development of urban centres in China and old-brand enterprises are inseparable from the influence of market forces. It is found that cities with substantial numbers of old-brand enterprises tend to grow faster than those without such enterprises (Zhang, 2013 and 2014).

This study deals with TBEs and their associated TBSs in the cities of Beijing, Shanghai, Guangzhou, Tianjin, and Hangzhou, and to highlight their distinctive characteristics and the nature of the businesses. It will also identify the relationships between TBEs and TBSs and their roles in contemporary urban life.

Old-Brand Enterprises as Time-Honoured Brand Enterprises

There are many long-established business streets and old-brand enterprises in the world. Famous names such as Oxford Street in London, the Ginza district in Tokyo, Orchard Street in Singapore, or Nathan Street in Kowloon and their old enterprises (such as Selfridges in Oxford Street) have become established “brands” that identify with these cities and serve as icons of their metropolitan landscapes. Many old enterprises and their brands have survived into the present century. In *The Economist*, an article analysed the world’s oldest companies and their business of survival (2004). A report on the study of 41 countries published by the Bank of Korea listed 5,586 companies older than 200 years (Kim, 2008). Of these, 3,146 were in Japan, 837 in Germany, 222 in the Netherlands, and 196 in France. Studies and reports on old-brand enterprises usually consider them as economic organizations, describe their longevity and discuss the secrets of their success. They look upon every old-brand enterprise as a distinct case of business survival rather than as a cultural heritage in the context of local urban development.

Berry (1988) examined attempts in revitalizing brands; Keller (1999) discussed how brands were managed for the long term, and Lehu (2004) analysed why brands grew old and sometimes died and how managers then reacted.

In China, discussions on urban development and cultural preservation will inevitably touch upon the role of old-established business streets and old-brand enterprises. Their distinctive historical character, reputation and widespread recognition are important elements of the urban landscape and cultural heritage. To some extent, old brands evoke much nostalgia about the city or reminiscences of past urban spaces, as Lynn Pan (1982) did in her search of old Shanghai. The revival of emphasis on the services and products provided by old business streets and old-brand enterprises is not only attributed to state policy, but also to the opening up of China's economy. According to the theory of "another invisible hand" put forward by Li Peilin (1994), many social and cultural phenomena such as old brands are not only forms of urban heritage, but also channels for the economic allocation of resources that are different from the economic forces of the market.

There were more than 30,000 old-brand enterprises in China in 1949, when the People's Republic was founded. In 1991, the Ministry of Domestic Trade began to identify enterprises with "time-honoured brands" at the national level but it was 15 years later when the Ministry of Commerce launched a project to revitalizing these enterprises. A list of old-brand enterprises was released in 2008, followed by a second list in 2011. The Ministry of Commerce has identified 1,128 companies that are considered as "Time-Honoured Brands". In addition, there are thousands of such companies at the provincial and city levels.

Many city governments throughout China have earmarked old brands in the downtown areas of cities for renewal and future business development. According to Michael Porter's Diamond Model and Five Forces (Porter, 1985, 1990 and 2008), old-brand enterprises have their own advantages in market competition, and China's city governments regard these enterprises and the old streets where they are located as possessing distinctive advantages in urban competition.

Urban Case Studies

A research team led by me have since 2011 investigated the relationships between urban development and old-brand enterprises in 16 cities in China. Several research papers and four reports including case studies on urban development, old streets and TBEs have been published (see Zhang *et al.*, 2011, 2014, 2015 and 2016). This study will focus on Wangfujing Avenue and Qianmen Street in Beijing; Nanjing Road in Shanghai; Ancient Cultural Street in Tianjin; Shangxiajiu Road and Beijing Road in Guangzhou, and Qinghefang Street in Hangzhou.

Beijing

The genesis of Beijing, the capital of China, began three millennia ago. The city in its present form originated in the mid-thirteenth century during the reign of Kublai Khan of the

Yuan Dynasty (1271-1368). Despite having grown into a megacity, Beijing still retains many of its old enterprises and historical business centres.

Wangfujing evolved as a business district during the middle of the Ming Dynasty (1368-1644) and is now rightly regarded as Beijing's most celebrated TBS, originally known as Morrison Street (after the Australian journalist George Ernest Morrison). Half of its 1.6km of shopping space is a pedestrian mall. With about 280 shops and numerous famous brands, Wangfujing has become a major shopping centre. Located along this street are TBEs and their famous brands featuring Chinese medicine, Chinese tea, silk, hats, shoes, and arts and crafts. Other TBEs include Beijing Hotel, Wangfujing Xinhua Bookstore, Beijing Department Store as well as Beijing Foreign Languages Bookstore.

The Shengxifu and its famous brand of hats is a branch of an enterprise of the same name founded in Tianjin in 1911. The hats are reputed for its exquisite materials, delicate workmanship and excellent quality. Among its numerous high-profile clients included Chinese leaders and foreign dignitaries. Shengxifu not only occupies a large share of the hat market in China, but also extends its sales to foreign markets including the United States, Germany, France, Canada, and Singapore.

A brand of Chinese tea made famous by Wuyutai Tea Shop was established in 1887 by Wu Xiqin who hailed from Anhui Province. The tea is supplied directly from tea growing areas of Anhui, Zhejiang and Fujian provinces. The scented Jasmine tea is specially prepared in Fuzhou and Suzhou, packed into different grades, and shipped to the shop. This TBE currently owns more than 260 shops, a distribution centre, a tea culture exhibition hall, and a team that performs and demonstrates the art of tea making and drinking.

Another Wangfujing TBE is the Beijing Arts and Crafts Store that is famous for various models of cloisonné in the shape of furnaces, tripods and quadripods, ash trays, stationery items and lanterns. Among them, the blue glazed items in golden colour are the most appealing. Cloisonné is an ancient technique for decorating metalwork objects and jewelry originating in the Middle East. The technique was introduced into China in the thirteenth century (Dillon, 1998). By the 1420s and 1430s, the Chinese had acquired considerable experience in producing cloisonné objects (Sullivan, 1999). Chinese enamel cloisonné now ranks amongst the best in the world.

Another TBS is Qianmen Street which was originally meant to serve as the imperial gate for the exclusive use of the Emperor to the Forbidden City. It is located at the northern end of the north-south axis of ancient Beijing. On both sides of this longitudinal artery are found trade outlets for fresh fish, meat, fruits, fabrics, food, restaurants, among others.

Located along Qianmen Street are numerous TBEs. One of the most well-known is the Quanjude Peking Roast Duck Restaurant that was founded in 1864. Its founder Yang Quanren (1822-1890) had arrived at Beijing from Hebei Province. He began by selling chicken and ducks and paid a retired chef from the palace for the imperial recipe. Soon afterwards, Quanjude became the first restaurant to serve roast duck prepared from the imperial recipe.

Its distinctive style of preparation was to suspend the ducks to roast over an oven. This feature laid a sound foundation for the roast duck to become well-known throughout Beijing. With the founding of the People’s Republic of China in 1949, Quanjude became a venue for the holding of state banquets.¹

By 2012, the Quanjude restaurant chain was selling over 2 million roast ducks served in 400 different styles to more than 5 million customers annually. With annual sales reaching 500 million yuan (US\$63 million), the company is worth an estimated value of 8.458 billion yuan (US\$1.02 billion), and holding physical assets worth some 600 million yuan (US\$76 million) as well as “intangible assets” arising from its brand and reputation to the tune of 700 million yuan (US\$89 million). The Quanjude brand is now successfully franchised outside China, the first one being in Melbourne, Australia. Possible factors that influence this development include the fact that Melbourne’s former Lord Mayor, John So, was of Chinese ethnic origin and the city’s concentration of Chinese residents.

Shanghai

The 5.4km long Nanjing Road in Shanghai is China’s premier shopping avenue. It is a must-see metropolitan destination attracting thousands of fashion-seeking shoppers from all over the world. Turned into a “treaty” port after the Opium War of 1839-1842, Shanghai was quickly dissected into special quarters by the British and other foreign powers. Nanjing Road was initially a British Concession, and later became the International Settlement. Shanghai began to import large quantities of foreign goods which then transformed the area into the earliest shopping street of the city. Nanjing Road is thus a witness of the history of Shanghai and a contributing factor to its development. The avenue and its many famous structures and shops were a major factor in turning Shanghai into the commercial and shopping centre of China and indeed, prior to 1949, the whole of Asia.

Today more than 600 businesses along Nanjing Road offer countless famous brands, quality goods and new fashions. Four department stores that symbolized the fame of Nanjing Road, namely, Sincere, founded in 1917, Wing’on (1918), Sun Sun (1926) and the Sun (1936) were known as the “four grand department stores” of Shanghai. All TBEs in their own right, they were founded by Cantonese businessmen and contributed to the prosperity and glamour of old Shanghai in the 1920-1930s. Today, replacing these TBEs are Yong’an (formerly known as Wing’on) Department Stores, Shanghai Fashion Corporation, Shanghai First Food Company and Shanghai First Department Stores. Large billboards of these TBEs grace the skyline of the street. Yong’an Department Store, currently run by the Guo family, is ablaze with neon lights at night. The shopping complex has become more luxurious and magnificent after renovation, while some decorations retain their original style and flavour, in particular, the old-fashioned elevator that is a throwback to the nostalgic days of old Shanghai. The Shanghai First Department Stores assumed its present name when it began operation in 1953 and occupying

the premises of The Sun which traced its roots to 1936. This was in fact the largest department store in East Asia then and the building had once been awarded the Best Architecture of Asia.

Famous old businesses represented by Sincere, Sun Sun, Da'xin or Sassoon House may have faded away in people's memories, but their premises now house such celebrated names as Peace Hotel, Plaza 353, Shanghai Fashion Corporation, and Shanghai First Department Stores. These premises, though newly refurbished, still retain their classic elegance. It is these exquisite and sentimental features that produce the enchanting charm that makes Nanjing Road an iconic shopping avenue.

For almost 90 years, Peace Hotel, originally known as Sassoon House, named after its owner Victor Sassoon whose living quarters are still being reserved in the building, has always been the favourite meeting place of celebrities including the Queen of the United Kingdom and the United States President. The jazz band of the hotel, founded in 1980, made up of elderly persons faithfully presenting their sentimental performances, is one of the most famous jazz bands in Shanghai. The hotel today operates as two separate businesses. The North Building, built as Sassoon House, originally housed the Cathay Hotel and is today occupied by the Fairmont Peace Hotel run by Fairmont Hotels and Resorts of Canada. The South Building was built as the Palace Hotel and is today the Swatch Art Peace Hotel. Both buildings face the Bund, but kept apart by the famous and busy Nanjing Road.

Apart from the trendy department stores and world class hotels, there are also many specialty shops along Nanjing Road, such as Shaowansheng Food, founded in 1852, and which is almost as old as the street itself. Many shops used to sell delicacies of South China, but only the Shaowansheng Food brand is still continuing its business of making and selling salted food, pickled items, and wine, grain and liquor preserved food. It has extended its business to bakery and other snacks that are popular among tourists who buy them as souvenirs. In the past century and a half, it has shown resilience in surviving numerous hardships. Shaowansheng Food is now a world-famous brand whose manifest role is the preservation of selected culinary traditions of China.

Another place that mothers in particular are fond of is the Xinghuo 24 hour Convenience Store. Although convenience stores are found in every corner of Shanghai, it is relatively uncommon in other Chinese cities. Xinghuo is the pioneer in providing 24-hour service in Shanghai as well as throughout China as early as 1968. The brand name is derived from Chinese movies and TV plays that portrayed life in old Shanghai. The store still maintains its original appearance in Nanjing Road where it serves not just as a place for convenience shopping at night but also for snacks that are beloved of local and foreign visitors.

Guangzhou

Guangzhou is known as a “shopping paradise” and the logistic centre of China. It is a city that boasts of numerous pedestrian streets, special commercial streets and busy shopping

complexes. Of the major shopping avenues, the most well-known are Beijing Road, Enning Road and Shangxiajiu Road.

Beijing Road, located in the city centre, marks the earliest site of Guangzhou. Archaeological findings here point to the occupation of the site nearly a millennium ago. It has now been turned into a pedestrian street of which the northern section is lined with a cluster of TBEs. A total of 14 old brands are found along the road. Antiquarian Bookshop is a specialized bookshop affiliated with the Beijing Road Xinhua Book Store. First opened to customers in 1957, the bookshop is armed with a mission to salvage rare books and protect national cultural heritage to serve the needs of researchers and libraries. It searches for antiquarian books throughout the country and recovers useful old books and texts in waste collection stations. For many years, it has collected a large number of precious antiquarian books, some of which are now treasured in museums and libraries at provincial and national levels.

Taipingguan is a celebrated restaurant in Guangzhou with a history spanning more than 130 years. The opening of the restaurant harks back to 1885 and is well known for hosting former Premier Zhou Enlai's wedding ceremony in 1925. Those who had sampled the original menu of the early days still cherished fond memories of the dishes dating back to the Premier's wedding. During the past century, the restaurant was able to serve more than 800 Western-style dishes. In the year 2000, the Guangzhou government granted Taipingguan the title as one of the city's oldest restaurants.

Xindaxin Company, originally known as Daxin Company, was one of the four largest department stores in the period of the Republic of China. It was established in 1914 by two brothers, Cai Chang and Cai Xing, along Zhongshan Fifth Street. To commemorate this event, the street adjacent to the store was named after the brothers as Changxing Street. In 1918, the brothers opened a branch store at the west bank of the Pearl River. It was later known as the Nanfang Building, and evolves into another prominent department store.

Baoshengyuan Company is the owner of two old brands, namely, "Baoshengyuan" ("Beeden") and "Shengmaotai". It is famous for its apiarian products and health-care food. The Beeden Apiary, founded in Pingzhou, Nanhai City of Guangdong in 1924, is the first of its kind in the province. "Baoshengyuan" has earned official recognition as a "Time-Honoured Brand of China" and "Guangzhou Old Brand". "Shengmaotai" dates back to 1862 and is also certified as a "Time-Honoured Brand of China".

With a long history going back to 1828, the Guangzhou Wanglaoji Pharmaceutical Co. Ltd. is the owner of Wanglaoji Herbal Tea. It is now one of the top 50 national Traditional Chinese Medicine enterprises, gaining titles such as "China's Time-Honoured Brand", "National Advanced Unit", "Guangdong Model Unit" and "China Five Star Enterprise". This pharmaceutical enterprise possesses modern workshops and advanced equipment. Wanglaoji has also acquired China National Good Manufacturing Practices (GMP) Certification and the Australia Therapeutic Goods Administration's GMP Certification.

Another enterprise that has built its brands on traditional medicine is Qingxin Medical Hall. Originating as Tailai Herbal Shop, it was founded by the famous traditional medicine practitioner Zhan Tailai in 1906 to market a brand of herbal tea. Zhan Tailai developed recipes of herbal tea based on the sub-tropical climate of South China and the diet habits of local residents. These herbal drinks were well-received by the local people. In return, they displayed their appreciation in a couplet. The company was later renamed Qingxin which was inspired by the initial character in each line of the couplet. The fame of Qingxin Medical Hall has spread beyond Guangdong province as it establishes numerous subsidiaries in Guangxi, Zhejiang and other provinces. In 2006, it won the coveted title of “National Intangible Cultural Heritage”.

Beijing Street was designated as Guangzhou city’s first “street of time-honoured brands” by the local authorities in 2013. Following this, Enning Street was added to the list in 2014. Located in the Xiguan area of the old city quarters, this street has been a centre of commercial activities for centuries. There are 117 shops in the Enning TBS, compared with 16 in Beijing Road. This TBS stretches over 2.9km, to connect with the Lizhiwan scenic area, Xiguan Square, Enning Street, Qilou-style Street and Shangxiajiu commercial pedestrian street. Construction of the Enning TBS was completed in 2013 and has since then become a centre for bargain-hunting for a variety of goods and supplies pertaining to wedding ceremonies, Cantonese Opera, jewelry and handicrafts, entertainment, martial art, among others.

Shangxiajiu is yet another crowd-pulling shopping street in Guangzhou. This kilometre-long shopping avenue, somewhat shorter than Beijing Street, is located in the old city zone. It is the first commercial pedestrian street in Guangzhou. Along this street is found 300 shops and stores reminiscent of the Lingnan or South China cultural and architectural landscape. With an origin dating back to the Ming Dynasty, Shangxiajiu exudes a stronger presence of traditional China than Beijing Street. Among some of the TBEs are Lianxianglou, Taotaoju, Guangzhou Restaurant and Huangshanghuang which still offers many Asian Games souvenirs.² The period of the Asian Games in 2010 was the right time for Guangzhou city to promote its TBEs and TBSs to tourists and visitors. One of the delicacies is *lawei* (Chinese cured meat). Huangshanghuang presents a package of eight types of cured meat including pork, fish, chicken, duck, and traditional sausages. The package depicts old Cantonese stories as a means to introduce Lingnan culture to the world.

Tianjin

Like Beijing and Shanghai, Tianjin is a municipality which boasts a number of famous products featuring buns, drugs, toys, shoes and tea along its Ancient Cultural Street TBS.

The city’s stuffed bun is a snack that is known practically throughout China. Known by the peculiar name of Goubuli since 1858, the bun’s popularity is attributed to the fine ingredients, elaborate preparation as well as skillful selection of ingredients and a special formula in the churning of flour, dough kneading and rolling. First made by a master bun maker by the name

of Gao Guiyou, the stuffed buns have been attracting to the customers through such unique features as colour, scent, taste and shape. As the business prospered, branch stores were open in nearby Beijing and other cities to constitute a part of Chinese cuisine and life. The fame Goubuli brand of buns from Tianjin has spread abroad and is known to foreign tourists who have visited the city, especially among the Chinese from overseas.

Another unique product that is associated with Tianjin is the clay figurine. Zhang Mingshan first produced artistically shaped figurines from clay 180 years ago. These figurines became so popular that they eventually became known as “Clay Figurine Zhang” after their creator. Born to a poor family in Tianjin, young Zhang Mingshan learned to make clay figurines from his father. He not only inherited a legacy of traditional skills but also incorporated features from other art forms such as painting, opera and Chinese folk wood engravings. Using pure colloidal clay, he handcrafted more than 10,000 clay figurines during his lifetime and the fame of his art spread both at home and abroad. His creations, all vivid and expressive reflections of rich regional and local customs, included popular characters from Chinese folklore, novels, operas and daily life.

Another old brand enterprise of Tianjin is the Longshunrong Drug Store founded in 1833 and known nationally for its top-quality Chinese medicines. More than a century of operation has helped Tianjin to play an important role in the growth of traditional Chinese medicine. In 2003, the company was recognized as a TBE which spurs its efforts to popularize the use of Chinese medicine as a cultural heritage. Over time the enterprise has witnessed improvements in the production and branding processes, in technological upgrading and in innovation.

Two other old brand enterprises are Zhengxingde Tea House and Laomeihua. The name of the former goes back to the seventh year of the reign of Qing Dynasty Emperor Xianfeng in 1857. Its tea products are identified by the “bamboo” trademark that symbolizes variety, quality, and affordable prices to retain the support of its customers for generations. Laomeihua was founded in 1911 as a producer of elegant, soft, but wear-resistant shoes. Its shoes that are marked by distinctive characteristics and reliability of service are popular especially among the cohorts of the middle-aged and elderly.

Hangzhou

Hangzhou, the capital of Zhejiang Province, has for ages been seen as the “paradise on earth” for the Chinese. Famous for the scenic beauty of its West Lake, this ancient city too has its commercial streets and enterprises of historical significance.

The Qinghefang Ancient Street as Hangzhou’s TBS, is the most well-known commercial centre which is situated a stone’s throw from West Lake. Littered with shops, restaurants and tea houses, the street has been a flourishing centre of commerce since the Southern Song Dynasty (1127-1279). Located within a 13ha site, the street is the only well-preserved part of the ancient city. It still retains its commercial vigour with many century-old brand enterprises. Among

these are Baohe Medical Hall, Fanghuichun Medical Hall, Zhangxiaoquan Scissors, Taiji Tea House, Sheep Soup Restaurant, Wangxingji Fan Store, Wanlong Ham Store, Zhuangyuan House, Huqingyu Medical Hall, and Jingyangguan Pickle and Sauce Shop. In short, Qinghefang is a miniature ancient city and the embodiment of the historical character and cultural spirit of Hangzhou.

The Huqingyu Medical Hall was founded by Hu Xueyan in 1874. Hu was the leading businessman of his time who left behind a legacy of business practices and thoughts. The Medical Hall is now a major cultural relic under national protection. Covering an area of 3,000 square meters and a unique architectural design, the hall dispenses with traditional medicine as well as displays more than 160 pieces of cultural relics for public viewing.

Besides traditional medicine, other celebrated brands include Longjing tea, traditional handheld fans, knives and scissors, snacks and food. Enterprises associated with these brands have experienced their own vicissitudes of fortune and characteristic features that have enabled them to survive to the present day. Each in its own way has contributed to the history and vitality of the Qinghefang commercial area. The significance of the area as a cultural heritage site is ensured by the city authority. A proposal put forward in 2000 has earmarked the area for protection to preserve the architectural legacy dating back to the Ming and Qing dynasties.

The Contemporary Setting

There are many enterprises in China whose products have stood the test of time in the market for decades. Most of these enterprises are associated with city streets and localities that have been in existence for centuries. These brands include traditional Chinese medicine and herbal products, food items such as Chinese tea, roast ducks, buns, pickled vegetables, sauce, and apiarian products; personal items such as hats, shoes, hand fans, knives and scissors, toys or decorative items such as clay figurines.

A feature of these products is their role as common consumer items to meet daily needs of local inhabitants, and made available in variety and relatively cheap prices. Unlike the common perception of branded goods, the old Chinese brands are traditional rather than trendy or fashionable items. They are bought not as symbols of modernity or prestige but for practical reasons. In general Chinese brands are purchased by the common consumers or tourists for three basic reasons. One is for purposes of personal preferences for medicinal, gastronomic, personal satisfaction or curiosity. The next is for the appeal of nostalgia and to be reminded of a bygone age that is remembered with sentimental fondness. The last is the urge for cultural continuity and a way of life that retains healthy portions of local or regional traditions and cultural habits.

Realizing the importance and potential of old enterprises and their brands as well as the commercial streets with which they are associated, the respective city authorities have identified them respectively as TBEs and TBSs. That the old brands have survived until today

are solid proofs of their durability and viability. Preserving them and nurturing their potentials offer possibilities of further development from different perspectives.

Firstly, from the perspective of business opportunities, TBEs may take advantage of China’s rising household income and spending to expand business volumes and to carve out new markets. Rapid innovations on many fronts, such as cashless transactions, automation, logistics, or mobilization of capital, open up immense prospects for business upgrading and expansion.

Secondly, TBEs and associated TBSs represent a vigorous part of traditional Chinese culture. They are avenues for the maintenance and advancement of traditional Chinese medical practices as a rich cultural heritage of China. For instance, dealings in Chinese tea, herbal drinks and various food items and snacks continue to contribute to the diverse and rich culinary and gastronomic traditions of local places and regions.

Thirdly, many TBEs and most TBSs trace their origins to an older age. The history and business traditions as well as the architectural designs of the premises reflect the vicissitudes of business fortunes of TBEs and TBSs. Taken together, they embody the history, architecture, and urban design of a bygone age. Local authorities are enjoined to safeguard their preservation and maintenance to ensure the survival of these urban cultural quarters. They are essential elements to counterbalance the overwhelming dominance of ultra-modern urban development.

Lastly, TBSs will contribute to urban development or redevelopment to meet expanding demands of consumers. All TBEs and TBSs are potentially tourist centres for both local and foreign visitors. New developments will ideally be introduced to enrich the cultural and architectural wealth of all TBSs, to upgrade existing and add new facilities for the convenience of the growing number of users.

There are various ways to promote China’s numerous old brands. They are effectively “patented” products that should be protected from rights infringement. Hence the proper enforcement of the legitimate rights of old brands is the first step to safeguard the business interests of TBEs and to promote their healthy development. As is increasingly common in promoting the image and acceptance of commercial products, placing advertisements in mass media and digital and various online avenues is essential to reach wide audiences. Furthermore, the sponsorship of popular sports and cultural events, education, or the support for charities and philanthropic causes by TBEs offers excellent channels for business expansion. Some of the branded products are also amenable to being franchised as a means of reaching out to the demands in regions beyond the immediate hinterland of the branded product.

Additionally, certain old brands, once popular but having lost their lustre, may be revived. Examples are Pehchaolin, a traditional Chinese cosmetic brand, dating back to 1931. In 2000, Pehchaolin underwent company restructuring and rebranding of its products. In 2012, it put in a bid of RMB70 million as the second highest bidder for “The Voice of China”, a famous talent show in China. Another old product that has lost favour with its customers was a brand of shoes that carried the Warrior trademark and founded in 1927. Having been featured in a

couple of nostalgia-provoking Chinese films, the brand has gained popularity as a symbol of “retrofashion”.³ There are yet other once popular brands that may regain the support of the emerging middle class of China. Certain traditional Chinese brands may take advantage of consumers, especially among the young, in their interest in “retro” goods to reverse their fate.

Conclusion

Businesses and their product brands or trademarks that have gained the acceptance of consumers for decades or more are assets that deserve to be preserved and nurtured. In the age of globalization, TBEs and their brands play a role not just in terms of expanding the volume of their business but also rightfully as part of the cultural heritage of the country and in stimulating urban renewal and development. In the contemporary preoccupation with patenting exclusive rights and jealousy in protecting business brands, it is essential that all commercial enterprises, especially TBEs, safeguard their legal rights and popularize their brands.

Brands and the hidden value attached to the “business goodwill” arising from customer relations are prized assets for future business expansion and development. In the highly volatile business environment where success and failure are uncertain, TBEs enjoy inherent advantages in having evolved their proven business models and nurtured the loyalty of their clientele. They reap benefits from their role as cultural “icons” that allow their customers to maintain the continuity of a nostalgic era.

A country may boast of many established product brands but the enterprises behind these brands are often dispersed rather than clustered together. In the Chinese cities discussed above, many of the enterprises, some officially recognized as TBEs, have given rise to clusters of sufficient size to form TBSs with distinct identities. The future of TBEs and their associated TBSs is thus intimately linked. To project the historical and cultural significance of TBSs, it is important that the premises of individual TBEs be preserved or renovated to retain the identity and character of each TBS. Uncalled for demolition of heritage buildings for high-rise structures to maximize returns to investment would cause permanent damage on heritage sites.

The TBEs which deal primarily with traditional and daily products are known for their long history of business tradition. In the context of China’s rapid growth and urbanization, the TBEs and TBSs can serve as invisible hands to drive the urban process of growth that accommodates the demands of modern businesses and for cultural and architectural continuity.

The history and tradition of TBEs alone would not ensure their future nor that of the associated TBSs. Many TBEs have succeeded in consolidating their place in the competitive world of commerce. It is therefore essential that they continue to invest not just in Research and Development, to innovate business production and marketing processes, emphasize product quality, but also to maintain if not to elevate the relevance of the cultural values that are an integral part of these business enterprises.

Notes

- 1 High profile cases include the hosting of Ahmend Sekou Toure, President of Guinea by Chairman Mao Zedong on 12 September 1960, and those of Dr. Henry Alfred Kissinger, the Secretary of State and Richard M. Nixon, President of the United States on separate occasions by Premier Zhou Enlai during their ground-breaking first visits to China in 1971 and 1972.
- 2 The Asian Games is a continental multi-sport event held every four years for athletes from Asia. The XVI Asian Games was held in Guangzhou in 2010.
- 3 From Warrior's beginnings as a sought-after status symbol to its current role as the shoes of China's working class heroes, for example, Warrior's WB-1 has a long and checkered past, and is now becoming popular again.

Glossary (Shop and Place Names)

Ancient Cultural Street (古文化街)

Antiquarian Bookshop (古籍书店)

Baohe Medical Hall (保和堂)

Baoshengyuan Company (宝生园公司)

Beijing Department Store (北京百货大楼)

Beijing Foreign Languages Bookstore (北京外文书店)

Beijing Hotel (北京饭店)

Beijing Road (北京路)

Beijing Road Xinhua Book Store (北京路新华书店)

Changxing Street (昌兴街)

Clay Figurine Zhang (泥人张)

Cloisonné (景泰蓝)

Daxin Company (大新公司)

Enning Road (恩宁路)

Fanghuichun Medical Hall (方回春堂)

Goubuli (狗不理)

Guangzhou Restaurant (广州酒家)

Huangshanghuang (皇上皇)

Huqingyu Medical Hall (胡庆余堂)

Jingyangguan Pickle and Sauce Shop (景阳观)

Laomeihua (老美华)

Lianxianglou (莲香楼)

Longshunrong Drug Store (隆顺榕药店)

Nanfang Building (南方大厦)

Nanjing Road (南京路)

Peace Hotel (和平饭店)

Pehchaolin (百雀羚)

Qianmen Street (前门大街)

Qinghefang Street (清河坊)
 Qingxin Medical Hall (清心堂)
 Quanjude Peking Roast Duck Restaurant (全聚德北京烤鸭)
 Shanghai Fashion Corporation (上海时装公司)
 Shanghai First Department Stores (上海第一百货公司)
 Shanghai First Food Company (上海第一食品公司)
 Shangxiajiu Road (上下九路)
 Shaowansheng Food (邵万生食品公司)
 Sheep Soup Restaurant (羊汤饭店)
 Shengxifu (盛锡福)
 Sincere (先施百货)
 Sun (大新百货)
 Sun Sun (新新百货)
 Taiji Tea House (太极茶道苑)
 Tailai Herbal Shop (泰来药店)
 Taipingguan (太平馆西餐厅)
 Taotaoju (陶陶居)
 Wangfujing Avenue (王府井)
 Wangfujing Xinhua Bookstore (王府井新华书店)
 Wanglaoji Herbal Tea (王老吉凉茶)
 Wangxingji Fan Store (王星记扇庄)
 Wanlong Ham Store (万隆火腿庄)
 Warrior (回力鞋)
 Wing'on (永安百货)
 Wuyutai Tea Shop (吴裕泰茶庄)
 Xiguan (西关)
 Xindaxin Company (新大新公司)
 Xinghuo 24 hour Convenience Store (星火24小时方便店)
 Yong'an Department Stores (永安百货公司)
 Zhangxiaoquan Scissors (张小泉剪刀)
 Zhengxingde Tea House (正兴德茶庄)
 Zhongshan Fifth Street (中山五路)
 Zhuangyuan House (状元馆)

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